

Personal Finance 30 Review January 2017



Be sure to review the Money & Youth textbook, in-class hand-outs, assignments, online modules, and www.missmcfarlen.wikispaces.com/Personal+Finance+30

Final Exam Format: multiple choice, short answer, case studies

Units covered:

Decision Making & Goal Setting

- \$ What is the 6-step decision making process? (know the name of each step)
- \$ Can you apply it to a case or situation?
- \$ What is the difference between a need and a want?
- \$ What is a SMART Goal?

Economics

- \$ Terms to know:
 - o Scarcity
 - o Opportunity Cost
 - o Price elasticity
 - o Equilibrium
 - o Inflation
- \$ What is the Law of Supply and Demand?
- \$ Be able to create and/or identify a supply and demand chart.

Banking

- \$ Terms to know:
 - o Stale Dated
 - o Post Dated
 - o NSF Cheque
 - o Pre-Authorized Payment
 - o Overdraft
 - o Service Charge
 - o Bank Reconciliation

Income & Taxation

- \$** Tax forms
 - T1
 - TD1
 - T4
 - Schedule 1
- \$** Who contributes to CPP
- \$** What is EI
- \$** What is a SIN number? When should we give it out? When should we not?
- \$** What are legitimate forms of income?

Budgeting

- \$** What is gross and net income?
- \$** What things need to be included in a budget
- \$** Money saving hints and ideas for people.
- \$** Be able to review and adjust a budget to make it work.

Saving & Investing

- \$** Difference between an RRSP and TFSA
- \$** What is an RESP
- \$** What is the difference between savings and investments?
- \$** What is compound interest and what are the three components of it?
- \$** What is a mutual fund?
- \$** Emergency Fund – Why is the need for it? How much should be set aside in an emergency fund.
- \$** What is the stock market? How is it different than other forms of investing?

Credit & Credit Cards

- \$** What are the 5 C's of credit
- \$** What is a credit score
- \$** What things affect a credit score
- \$** How many free credit reports can you obtain?

- \$ What are/how do cash advances on credit cards work?
- \$ What is APR
- \$ What is a debt load
- \$ Know how to read a credit card statement
- \$ What is good vs bad debt
- \$ What is the 28/36 rule

Renting, Leasing, Buying (Major Purchases)

- \$ Terms to Know:
 - Mortgage
 - Variable Rate
 - Fixed Rate
 - Term
 - Amortization
 - Mortgage Broker
 - Prime Rate
 - Bank of Canada Rate
- \$ What are some benefits and drawbacks for renting and buying a home?
- \$ What are things you need to consider before buying a home?
- \$ What 3 things must be included in a rental agreement?
- \$ What advice would you give someone who has bad credit and wants to buy a house?
- \$ What are advantages and disadvantages of leasing a car

Insurance

- \$ Review handouts and class discussion

Consumer Protection (fraud and bankruptcy)

- \$ What are warning signs that your identity has been compromised?
- \$ What should you do if your identity has been stolen?
- \$ List and describe 2 types of scams
- \$ How long does bankruptcy last one credit report
- \$ What is a consumer proposal